

CONFIDENTIAL.

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EMPLOYMENT AND UNEMPLOYMENT.

The latest available statistics, from various sources, which offer some indication of the movement of Employment and Unemployment throughout Australia, have been issued by the Commonwealth Statistician (Mr. E. T. McPhee).

I. INDEX OF EMPLOYMENT.

In view of the smallness of the proportion of wage earners covered by the trade union returns as to unemployment, and of doubts as to whether they were indicative of the degree of unemployment among all wage earners, it was decided at the Premiers' Conference in June, 1933, that State Statisticians should co-operate with the Commonwealth Statistician in compiling an Index of Employment by using data from the Census of 30th June, 1933, as the starting point.

The report of the Conference referred to the matter in the following terms:-

"The Commonwealth called attention to the need for a more reliable system of measuring unemployment in Australia. The present figures were based on returns from trade unions which cover only 20% of the total employment. The degree of reliance to be placed upon the figures was uncertain. A direct quarterly census of unemployment was estimated to cost £100,000 per annum. Failing a good direct measure of unemployment, the best resource was a measure of employment based on information obtained from employers and other sources".

The work of collecting adequate sample returns of employment was undertaken by the State Statisticians, and it is possible now to make available progress results for most of the States covering sections of employment and indexes of employment covering all employment in New South Wales and Queensland.

While it may not be possible to secure complete indexes of employment for all States, it is hoped that ultimately all States will collect representative returns for all the major fields of employment on a sufficiently uniform basis to permit of the production of a reliable monthly index of employment.

Indexes of employment in factories and in retail shops are shown below for all States.

ANNUAL INDEX OF FACTORY EMPLOYMENT.

Base Year 1928-29 = 100.

	New South Wales	Victoria	Queens- land	South Australia	Western Australia	Tasmania	TOTAL
Number of employees in 1928-29	180,806	156,568	45,031	36,807	20,804	10,466	450,482
1925-26	94	95	106(a)	106	99	97	97
1926-27	99	101(a)	98	112(a)	93	101	100(a)
1927-28	99	100	99	106	98	106(a)	100
1928-29	100(a)	100	100	100	100(a)	100	100
1929-30	90	96	95	87	94	103	93
1930-31	71	80	84	65	70	84	75
1931-32	70	82	80	65	64	86	75
1932-33	77	92	83	72	71	88	82
1933-34	85	100	89	80	78	93	90
1934-35	93(b)	(c)	97(b)	91	86(b)	(c)	(c)

(a) Year of maximum employment.

(b) Preliminary figures subject to revision.

(c) Not available.

/These

These indexes show the course of factory employment in the respective States from 1925-26, though 1928-29 has been taken as the base year. The figures show the progress of the depression and the subsequent recovery. The average in each case is now steadily approaching the pre-depression level. Wage earners dependent on factory employment represent approximately 20 per cent. of total persons dependent on employment in the Commonwealth. The relative proportions and the rates of increase in relation to total employment vary as between States. Since 1928-29 population has increased on the average by about 5 per cent.

The course of factory employment in each of the four States for which information is available is given below, month by month, during the year ended June, 1935.

MONTHLY INDEX OF FACTORY EMPLOYMENT -
1934-35.

(Base: Average for Year 1928-29 = 100).

Month	New South Wales ø	Queensland ø	South Australia ø	Western Australia ø
<u>1934</u>				
July ..	88	92	84	77
August ..	88	98	86	80
September	88	100	86	83
October ..	92	103	88	85
November ..	94	101	87	84
December ..	96	98	89	85
<u>1935</u>				
January ..	91	87	90	85
February ..	94	92	88	88
March ..	96	97	92	89
April ..	96	99	97	90
May ..	97	100	101	90
June ..	97	100	102	90

ø Preliminary. Based on sample factories. Subject to revision when complete returns are available.

Endeavour is being made to complete corresponding indexes for Victoria and Tasmania. When these are available, a Commonwealth index of factory employment will be prepared.

/MONTHLY INDEX

MONTHLY INDEX OF EMPLOYMENT IN RETAIL STORES.

(Base: July, 1933 = 100).

Month	New South Wales	Victoria	Queens- land	South Australia	Western Australia	Tasmania	SIX STATES
<u>1933</u>							
July ..	100	100	100	100	100	100	100
August ..	97	99	99	102	93	101	98
September ..	99	101	97	102	93	98	99
October ..	99	103	97	99	93	109	100
November ..	102	111	100	100	96	108	104
December ..	113	121	110	108	106	115	114
<u>1934</u>							
January ..	102	109	100	103	108	109	105
February ..	104	108	99	102	99	105	104
March ..	104	109	100	102	98	107	104
April ..	103	108	100	103	100	105	104
May ..	105	108	102	105	101	105	105
June ..	105	109	103	104	100	105	106
July ..	108	109	104	106	104	107	107
August ..	105	109	103	102	102	105	105
September ..	107	110	103	103	100	106	107
October ..	108	115 6	104	108	104	104	109
November ..	110	122 6	105	107	104	107	112
December ..	123	131 6	116	118	119	119	124
<u>1935</u>							
January ..	109	117 6	106	108	109	110	111
February ..	112	117 6	106	107	103	108	112
March ..	109	118 6	105	107	105	107	111
April ..	111	x	105	108	103	107	x
May ..	112		106	109	106	107	
June ..	112		x	111	107	106	
July ..	116			x	111	x	
August ..	113				105		

6 The relatively high rate of employment in these months coincides with the Centenary Celebrations.

x Later figures not available.

The number of establishments in respect of which returns are obtained are - New South Wales, 533; Victoria, 193; Queensland, 120; South Australia, 35; Western Australia (not stated); Tasmania, 14. No adjustment has been made in the indexes on account of increased population.

INDEXES OF EMPLOYMENT IN NEW SOUTH WALES & QUEENSLAND.

Working from the basis of the results of the Census of 30th June, 1933, and from compilations made from returns of employers in remitting wages tax, and returns collected from Government Departments, the Government Statistician of New South Wales has prepared an index of employment and unemployment covering all persons dependent on employment in New South Wales. The Director of the Bureau of Industry of Queensland has published for two years past an index of employment and unemployment among men wage and salary earners. The data for this index is derived from that relating to Unemployment Insurance Contributions and other sources. The results are given below -

/NEW SOUTH WALES.

NEW SOUTH WALES.

Percentages of Employment and Unemployment - All available wage-earners -
(A) Including and (B) excluding the full-time equivalent of men engaged part-time on relief works.)

Month	Percentage of all who are dependent on and available for employment			
	(A) Including full time equivalent of part-time relief workers		(B) Excluding full time equivalent of part-time relief workers	
	Employed	Unemployed	Employed	Unemployed
Census of 30th June, 1933	74.4	25.6	73.5	26.5
1934, June	81.1	18.9	78.0	22.0
1935, June	86.6	13.4	83.7	16.3
July	87.2	12.8	84.3	15.7
August	88.0	12.0	85.1	14.9

The indexes have been adjusted to allow for an estimated increase of 1.2 per cent. per annum in the number of persons dependent on employment. At the Census of 30th June, 1933, 15,142 persons dependent on employment returned themselves as unemployed by reason of illness, accident, etc., or "voluntarily". This number, representing 1.8 per cent. of all persons dependent on employment, is excluded from the above indexes, which relate to percentages of available wage-earners employed and unemployed.

QUEENSLAND.

Employment and Unemployment among Men Wage and Salary Earners. (In terms of full-time employment and unemployment).

Period	Percentage		Approximate Number	
	Employed	Unemployed	Employed	Unemployed
Average 1929	89.9	10.1	148,340	16,660
" 1930	86.4	13.6	144,630	22,850
" 1931	77.2	22.8	131,270	38,730
" 1932	77.8	22.2	134,130	38,320
" 1933	79.8	20.2	139,720	35,310
" 1934	84.9	15.1	150,870	26,800
July, 1935	89.1	10.9	160,750	19,680
3 months ended -				
June, 1934	85.0	15.0	150,910	26,640
December, 1934	89.3	10.7	159,750	19,130
March, 1935	87.2	12.8	156,600	22,940
June, 1935	89.9	10.1	162,040	18,170

∅ The full-time equivalent of relief work (included as employment) was approximately 8,500 men. Without this work the percentage unemployed would have been 14.8.

The percentages and numbers employed and unemployed have been adjusted for increase in men dependent on employment, and for seasonal variations in employment.

BUILDING PERMITS.

A further index of the relative activity in industry is furnished by Building Permits issued, and the estimated amount to be spent on the proposed buildings and repairs.

The following tables give details of the value of Building Permits issued in the Six Capital Cities and Suburbs of the Commonwealth for the periods shown.

Year	New Dwellings	Other New Buildings	Alterations and Additions	Total Value All Building Operations
	£	£	£	£
1928-29(a)	17,455,449	4,902,928	(b)1,932,887	24,291,264
1929-30(a)	11,057,069	3,098,700	(b)1,741,291	15,897,060
1930-31(a)	1,989,167	1,547,005	(b) 799,245	4,335,417
1931-32	1,529,816	1,851,767	1,222,645	4,604,228
1932-33	3,184,429	1,505,127	2,160,514	6,850,070
1933-34	6,105,369	2,194,162	2,884,038	11,183,569
1934-35	9,606,533	3,829,676	4,173,041	17,609,250
Quarter ending -				
September, 1934	2,243,300	629,556	990,827	3,863,683
December, 1934	2,030,257	945,822	890,870	3,866,949
March, 1935	2,436,466	942,604	1,110,558	4,489,628
June, 1935	2,936,510	1,271,694	1,180,786	5,388,990

(a) Exclusive of City of Sydney; (b) Exclusive of Sydney and Suburbs.

BUILDING PERMITS IN CAPITAL CITIES AND SUBURBS OF EACH STATE.

Period	Sydney & Suburbs	Melbourne & Suburbs	Brisbane & Suburbs	Adelaide & Suburbs	Perth & Suburbs	Hobart & Suburbs	TOTAL
	£1000	£1000	£1000	£1000	£1000	£1000	£1000
1928-29	(a)9,715	7,661	2,440	1,807	2,518	150	24,291
1929-30	(a)5,810	5,576	1,414	1,158	1,833	106	15,897
1930-31	(a)1,005	1,434	1,098	314	393	91	4,335
1931-32	995	1,858	876	217	596	62	4,604
1932-33	2,256	2,568	793	400	732	101	6,850
1933-34	4,141	4,218	1,051	617	988	169	11,184
1934-35	7,630	5,604	1,654	1,164	1,354	203	17,609
September Quarter, 1934 ..	1,500	1,473	390	152	315	34	3,864
December Quarter, 1934 ..	1,671	1,004	408	373	356	55	3,867
March Quarter, 1935 ..	2,071	1,361	335	333	346	43	4,489
June Quarter, 1935 ..	2,388	1,766	521	306	337	71	5,389

(a) Exclusive of City of Sydney and value of alterations and additions in Sydney and Suburbs.

II. UNEMPLOYMENT, 3rd QUARTER, 1935.

The figures relating to unemployment among members of Trade Unions are similar to those published quarterly in the past, and are derived from returns furnished by Trade Unions.

The number of trade unionists represented in the returns, from which the following figures have been derived, is normally about half the total. Generally, it may be said that the returns of unemployment include little information about rural employment, so that the percentage results given herein do not vary greatly with the season, though the food preserving industries have some effect in this connection. The total unemployment in the country, however, may be affected a good deal by the crop seasons.

The percentages of unemployment among members of reporting Trade Unions for each quarter from the 2nd Quarter of 1932, when unemployment was at its maximum, to the 3rd Quarter of 1935, are as follows:-

1932 - 2nd Quarter	..	30.0 per cent.
3rd "	..	29.6 " "
4th "	..	28.1 " "
1933 - 1st "	..	26.5 " "
2nd "	..	25.7 " "
3rd "	..	25.1 " "
4th "	..	23.0 " "
1934 - 1st "	..	21.9 " "
2nd "	..	20.9 " "
3rd "	..	20.4 " "
4th "	..	18.8 " "
1935 - 1st "	..	18.6 " "
2nd "	..	17.8 " "
3rd "	..	15.9 " "

It should be noted that the figures refer to the mid-month of each quarter, and represent the conditions at the middle of that month. Consequently, the latest figures referred to herein relate to the middle of August, 1935.

The percentages given above show a continuous decline from the peak point (30.0%) in unemployment attained in the 2nd Quarter of 1932, after an almost continuous rise since 1929. After remaining fairly constant at 28.0 per cent. to 28.3 per cent. for three quarters - from August, 1931, to February, 1932 - the maximum point was reached in May, 1932, when the proportion of unemployment in the reporting Trade Unions was 30 per cent. of the membership.

From the apex, the proportion of unemployed decreased by 4 per thousand in the third quarter of 1932, and in the two quarters following, the improvement was much more marked, amounting to 15 per 1,000 in the fourth quarter of 1932, and 16 per 1,000 in the first quarter of 1933. The improvement continued until unemployment stood at 15.9 per cent. for August, 1935. This is the lowest percentage of unemployment since February, 1930, when it was 14.6 per cent., and the improvement for the quarter is the greatest recorded for any similar period since the tide of unemployment turned in 1932. Since the maximum point in May, 1932, the rate of unemployment has diminished by 14.1 per cent., or 141 per 1,000 members, i.e., from 30.0 in May, 1932, to 15.9 per cent. in August, 1935.

This improvement since the 2nd Quarter of 1932 has been experienced in all the States in the following order (per 1,000 members):- South Australia, 189; Western Australia, 178; New South Wales, 141; Victoria, 129; Queensland, 114; Tasmania, 107. The more recent improvement during the 3rd Quarter, 1935, over the previous quarter was shared by five States in the following order:- Improvement per 1,000 members - New South Wales, 36; South Australia, 26; Western Australia, 14; Queensland, 3; Victoria, 2; while an increase of 3 per 1,000 was shown in Tasmania.

The usual tables for Trade Union Unemployment are appended.

AUSTRALIA - Number and Membership of Trade Unions Reporting,
and Number and Percentage of Unemployed - 1st Quarter, 1929 to 3rd Quarter, 1935.

AUSTRALIA	1st Quarter 1929	2nd Quarter 1932	2nd Quarter 1933	2nd Quarter 1934	3rd Quarter 1934	1st Quarter 1935	2nd Quarter 1935	3rd Quarter 1935
Number of Unions	375	396	394	394	394	396	397	397
Membership ..	420,756	413,742	415,559	422,113	425,104	433,116	433,254	438,216
Unemployed -								
Number ..	39,159	124,068	106,652	88,413	86,652	80,548	77,177	69,575
Percentage ..	9.3	30.0	25.7	20.9	20.4	18.6	17.8	15.9

/Percentage

Percentage of Members of Trade Unions returned as Unemployed in each State.

1st Quarter, 1929 to 3rd Quarter, 1935.

STATE	1st Quarter 1929	2nd Quarter 1932	2nd Quarter 1933	2nd Quarter 1934	3rd Quarter 1934	1st Quarter 1935	2nd Quarter 1935	3rd Quarter 1935
	%	%	%	%	%	%	%	%
New South Wales ..	9.7	33.2	29.6	25.0	24.5	23.6	22.7	19.1
Victoria ..	8.6	27.7	23.0	18.0	17.5	15.0	15.0	14.8
Queensland ..	7.1	19.9	15.6	12.7	11.4	9.8	8.8	8.5
South Australia ..	13.2	35.2	30.0	25.4	25.4	20.7	18.9	16.3
Western Australia ..	8.5	30.3	26.0	18.3	17.2	15.4	13.9	12.5
Tasmania ..	8.7	27.4	19.0	17.9	18.9	16.7	16.4	16.7
<u>TOTAL</u> ..	9.3	30.0	25.7	20.9	20.4	18.6	17.8	15.9

The above returns are compiled and published substantially on the basis that has been adopted in regard to Trade Union returns since 1911. It is to be noted, however, that the returns relate to members of trade unions embracing only about 20 per cent. of wage-earners, and that for some States these constitute a more representative sample of employment than in others. The percentages include persons unemployed from all causes, other than those unemployed directly as a result of industrial disputes. They may be interpreted as relating to the percentages of the members of unions making returns who are not, according to the records or knowledge of the union Secretary, employed within union callings.

The percentages may not exactly represent the proportion of total unemployment in Australia as a whole, though Census data and other records indicate that they give a picture of the development of the unemployment crisis in Australia, and of the recovery therefrom which is not at present available from any other source.

In view of the very definite nature of the information on which the indexes of employment and unemployment for New South Wales and those relating to men for Queensland are based, these indexes should be the most accurate available record of unemployment in those States.

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